

MINUTES
BROWN COUNTY HOUSING AUTHORITY
Monday, February 15, 2010
City Hall
100 N. Jefferson Street, Room 604
Green Bay, WI 54301
3:00 p.m.

MEMBERS PRESENT: Darlene Hallet-Chair, Michael Welch-Vice Chair, Tom Diedrick

MEMBERS EXCUSED: Paul Kendle, Rich Aicher

MEMBERS ABSENT: None.

OTHERS PRESENT: Rob Strong (arrived during item 4), Robyn Hallet, Matt Schampers, Donella Payne, Chip Law, Matt Roberts, Dave Swanson, Mike Mason (arrived prior to item 7)

APPROVAL OF MINUTES:

1. Approval of the minutes from the January 11, 2010, meeting of the Brown County Housing Authority.

A motion was made by M. Welch and seconded by T. Diedrick to approve the minutes from the January 11, 2010, meeting of the Brown County Housing Authority. Motion carried.

COMMUNICATIONS:

None.

R. Hallet introduced Matt Schampers, Senior Accountant.

REPORTS:

2. Report on Housing Choice Voucher Rental Assistance Program (December and January)

D. Payne stated that we don't have January reports because of the work being done on year end reports. Next month January and February will be reported.

A. Preliminary Applications

D. Payne stated that there were 98 applications received for the month of December.

B. Housing Assistance Payments

D. Payne stated that the HAP for December was \$1,003,302.00

- C. Housing Assistance Unit Count
D. Payne stated that unit count for December was 2711.
 - D. Housing Quality Standard Inspection Compliance
M. Roberts stated that the initial pass rating was 50.42% with a reinspection rating of 21.05%. The fail rate is at 28.53%.
 - E. Housing Choice Voucher Administrative Costs and HUD 52681B
C. Law stated that December is the worse month because in the beginning of the year HUD was sending \$120,000.00 and in December HUD sent \$95,000.00. The budget is not a fixed number, but is based off what HUD sends every month. If HUD had sent the full allotment for December, we would have broken even for the year, but because they did not, we are over budget by \$14,000.00. The funds are based on the unit count. He thought that HUD would be sending \$110,000.00 but after HUD did their calculations they only sent \$95,000.00. In December, HUD actually withholds a 25 percentile withholding for future calculations, but we might receive some additional funds. He stated that he does not expect that it would be a lot of money because last year we only received \$3,000.00 additional funds.
 - F. SEMAP Monitoring Report
D. Payne stated that the SEMAP monitoring report is still at 100%.
 - G. Report of the Housing Choice Voucher Family Self-Sufficiency Program.
D. Payne stated that in December there were 100 FSS clients and in January there were still 100. There were 40 escrow accounts in December and in January. There were 4 graduates in December and 1 graduate in January.
 - H. Report on the Housing Choice Voucher Home Ownership Option.
D. Payne stated that the client count was 97 for both December and January.
 - I. Report on Langan Investigations Criminal Background Screening and Fraud Investigations.
D. Payne stated that for the month of December there were 17 investigations opened with 6 of those closed as substantiated and 10 remain open. For January there were 8 investigations opened with 5 being closed as substantiated, 1 closed as unable to substantiate and 2 remain open. The annual report is enclosed for the Authority's review.
- M. Welch asked D. Swanson if he had any observations he would like to pass along.
- D. Swanson responded that it speaks well for our community that Brown County and ICS are far above the rest of the country in this type of activity. Langan Investigations is pleased to be a part of this program that is so greatly recognized.

OLD BUSINESS:

None

NEW BUSINESS:

3. Discussion and action on Chapter 8 (Housing Quality Standards) of HCV Administrative Plan.

M. Roberts explained that after discussions with HUD, R. Strong, and R. Hallet, the proposal before the Authority is to remove a 7' minimum direction for a room standard. It has been determined that this modified requirement goes beyond the City of Green Bay housing standard and ICS received a letter from R. Hallet requesting that this be removed.

A motion was made by M. Welch and seconded by T. Diedrick to approve the change to Chapter 8 (Housing Quality Standards) of HCV Administrative Plan. Motion carried.

4. Discussion and action on Chapter 3 (Denials) and Chapter 12 (Terminations) of HCV Administrative Plan.

D. Payne stated that in February 2008 there was a request to put into the Administration Plan that if a family owes a sum of money in excess of \$500 to any local, county, state, or federal government agencies, unless they provide proof that the full amount has been repaid within two weeks of notification, ICS could deny or terminate. K. Pamperin was going to obtain in writing from HUD that this was ok but ICS is in receipt of a statement from HUD that according to the regulations, we can't have this policy. Owing money to a court does not fall under the criteria for denial or termination. HUD Headquarters personnel has stated that PHAs can only deny assistance for reasons stated in the regulations and going beyond such parameters is a violation.

T. Diedrick asked what the alternatives would be.

D. Payne stated that in regards to this, there is nothing that can be done per HUD regulations.

R. Hallet stated that discussions were held at length with HUD about what other options we have. One of the options that was discussed is looking at this under suitability for tenancy, which is something that a Housing Authority can screen clients for. Landlords in the general community should also be doing this when they rent to someone. We can't base suitability of tenancy just on money owed to government agencies, however; we would also have to get verification from prior landlords, check utility payments, etc. to make sure that they are a client that would or would not be a responsible renter. That is more than what we have ever done for screening and most Housing Authorities don't do that and we don't have the capacity to add on that intensive of screening.

R. Hallet stated that this issue has been brought to the attention of Mayor Schmitt who is the Chair of the U.S. Conference of Mayors and he shared it with the Secretary of HUD in Washington.

D. Hallet asked if there were many cases where individuals owed more than \$500 to another government agency and were applying for assistance.

D. Payne replied that there were fewer than three dozen.

R. Strong stated that the Authority might want to send a letter to Washington asking that they take a look at the regulations and include this as part of their screening process.

T. Diedrick commented that we might want to copy our legislature on this letter.

D. Hallet stated that is a good idea to send this letter.

A motion was made by T. Diedrick and seconded by M. Welch that the Authority acknowledges that direction has been received from HUD that the previous chapter revisions regarding the ability to reject clients that owed the government more than \$500 is not acceptable and we need to revert back to the prior standards. Also, a letter needs to be submitted to Washington and copy our legislature. Motion carried.

- 5. Discussion and action on Chapter 15 (HCV Homeownership) of HCV Administrative Plan to add Catholic Charities as an approved homeownership counseling provider for the HCV Homeownership Program.

R. Hallet stated that at the last meeting, the Authority did authorize Catholic Charities as an approved provider for the HCV Homeownership Program. The Administrative Plan needed to be changed to conform to that. Catholic Charities has now been added and Neighborhood Housing Services was also changed to reflect their new name of NeighborWorks® Green Bay.

A motion was made by T. Diedrick and seconded by M. Welch to approve the modifications for Chapter 15 (HCV Homeownership) of HCV Administrative Plan to add Catholic Charities as an approved homeownership counseling provider for the HCV Homeownership Program. Motion carried.

6. Discussion and possible action to approve administering VASH vouchers prior to finalization and approval of changes to Administrative Plan for VASH vouchers.

R. Hallet reminded the Authority that VASH vouchers are Veteran Affairs Supportive Housing vouchers. At a previous meeting the Authority did approve administering these vouchers. D. Payne has been working with the VA and does have some referrals.

D. Payne stated that Melissa from the Veteran Affairs did come up to Green Bay for a meeting and explained she will be the case manager for the clients. The process has been set up with the City of Racine and Veteran Affairs. The only disqualification for applicants of these vouchers is if the individual is on the sex offender registry. Melissa has contacted DonElla and indicated she has three individuals that she has started doing the preliminary paperwork and they have our preliminary applications and she wanted to go ahead and send them to Racine when she had all the paperwork so we could start the process. ICS is currently in the process of working on the Administrative Plan for the VASH vouchers and that will be presented at the next meeting. Since there are such small criteria for this, they would like to be able to go ahead and meet with these veterans and start the paperwork with them.

R. Hallet clarified that Melissa has ICS's preliminary applications but wouldn't they need the preliminary applications from Racine?

D. Payne stated that they need our preliminary applications because the vouchers are ported, not the person. The vouchers are sent here from Racine. It is set up so that our preliminary application and paperwork is done and sent to Racine.

R. Hallet stated that when she participated in the phone conference, her understanding was that the veterans would have to apply in Racine, fill out all of the paperwork in Racine, and then it would be ported up here.

D. Payne stated that initially that was her impression also, but then she found out that was incorrect.

R. Strong stated that another condition for the homeless Veterans to receive these vouchers is that they be receiving social services.

D. Payne replied that is correct and that none of the homeless veterans are referred to the program unless they are working with Melissa as the case manager. One of ICS' Family Self Sufficiency Coordinators is going to be handling all VASH vouchers. There will in turn be one action plan for both programs if they choose to go into the FSS program. Melissa works out of Milwaukee but will be up here often, at least once a week but up to two or three times a week.

M. Welch asked if there is anything that we can screen the homeless veterans for other than the sex registry.

D. Payne responded that we can only check the sex registry or another PHA.

R. Strong stated that he believes that once they are on the program, if they do commit a violent act or do something else that would normally exclude someone from the program, they are held accountable.

R. Strong explained to the Authority that what they are approving today is the authorization to go ahead and continue with the processing of these VASH vouchers prior to us coming back to the Authority with the Administrative Plan changes.

A motion was made M. Welch and seconded by T. Diedrick to approve administering VASH vouchers prior to finalization and approval of changes to Administrative Plan for VASH vouchers. Motion carried.

7. Update from ICS on investigation contract and discussion and possible approval for the Authority to pay a portion of the cost of investigative services.

R. Hallet explained that ICS put out a Request for Proposal (RFP) for investigative services. A couple of different responses were received which were of interest, including the response by Langan Investigations. She stated that she believes that everyone would like to continue working with Langan Investigations but that there were some cost increases with their proposal that need to be looked into and how they would be addressed. From discussions that she and R. Strong have had and looking at what the cost to ICS has been over the past 2 years vs. the increase in costs to remain with Langan Investigations, they would propose that the Housing Authority pay for any costs in excess of \$6,000.00 per month. The \$6,000.00 reflects the average that ICS has been paying to Langan Investigations. If ICS would like to recommend a different number, that would be open for debate.

R. Strong stated that we have been receiving good services from Langan Investigations. We are just making sure that we are receiving the best price for the work we are asking to be performed. There are some differences in the services that would be provided by the two agencies that are being looked at. Langan Investigations works with the Green Bay Police Department, which is the jurisdiction where a bulk of our clients are served and there are some advantages to that. On the other hand, we can understand where ICS is coming from with the costs going up for the investigative portion of the job. We took an average over the last two years, which came to approximately \$72,000.00 per year, which ICS has been paying to Langan Investigations. That is how the \$6,000.00 figure was derived. While we didn't want ICS to have that continual increase, we didn't feel we should be reducing what has already been paid out for Langan Investigations' services.

C. Law stated that another component discussed at the December meeting is that the Authority asked that ICS investigate with the Chief of Police and have some discussion. He did not realize how closely Langan Investigations and the Green Bay Police Department were connected. For a lack of a better way to state it, the two are pretty much married with no divorce coming anytime soon. After these discussions with the Chief, it made ICS understand that this is not just a simple thing to have someone else come in and fill the role that Langan Investigations play. It is more complicated than what was originally thought. There are a couple of things that he did want to clear up and he is glad that Dave

Swanson and Mike Mason are present. There was a question about software that only they have access to that no one else would.

M. Mason stated that they actually access the Green Bay Police Department records themselves. The other software products they utilize are available to anybody who wants to purchase them. They also have a contract with the State to run license plates and one program they use frequently is the social security number check. Langan Investigation has an office at the Green Bay Police Department and are the only ones that would be allowed to do this because of their history with the Green Bay Police Department and the knowledge of the software that they use. Langan Investigations also interacts all the time with the officers of Green Bay. If anyone else would want to do a record check, it would take approximately two weeks to get it.

C. Law stated that this was a learning process for ICS. He also had graphs that showed the ICS administrative funding received by HUD, which went down in 2008 and 2009 and that is why ICS is having trouble with the increases being proposed by Langan. ICS is not saying that Langan Investigations does not add a huge component to what they are trying to accomplish. It is that they can't continue on like this or they may end up having to lay off staff in order to employ Langan Investigations to do their part. Everything that Langan has done is appreciated but at the same time they need to make sure they are getting the best price for the services that are required. One of the graphs that he presented shows that the area of fraud referral with the highest percentage is the unreported household member. The other graph shows the sources of the fraud referrals, with 41% coming from call/write in and then 33% coming from ICS staff.

T. Diedrick stated that it is good to ask for RFPs every few years. The problem is you're not getting the exact same services because of all of the underlying issues. Because of all of the work and time and money that we are putting into this, we need to make sure we are getting the same level and quality of service. That is the bottom line and it doesn't always show up on paper in a bid.

D. Payne stated that by doing the RFP they were able to look at what is really going on and meet with Langan Investigations and understand the services they provide and how they accomplish what they do.

C. Law spoke about the process to get on the program and that the program is very in-depth.

T. Diedrick made a suggestion for a means of awareness, to send out letters every six months to agencies that referrals would be coming from to give them an update where ICS is at and what the approximate wait time would be for people to be accepted into the program.

C. Law stated that is a good suggestion. The more information we can get out to people doing referrals, the community, the leaders in the community, etc. about this program and what it really is will dispel myths that exist.

M. Welch questioned the increases that Langan Investigations is proposing.

C. Law stated that there is a 20% increase in the costs for investigations.

D. Payne stated that originally there was an increased across the board, but after meeting with Langan Investigations, the costs for preliminary applications background checks and pre-investigations will remain the same. The only thing being increased will be the costs for investigations.

R. Strong stated that when there is fraud we do take the individuals to small claims court and fees received from that helps offset the cost of the intern but could be used to offset the costs from Langan Investigations. We have met with the District Attorney's office and they are willing to take these on as criminal cases and we in turn would not incur the costs of running these through small claims court, which save approximately \$200 per case.

D. Hallet questioned what would happen if for example three months of fees charged by Langan Investigations were only \$3,500.00 but then the next month it was over \$6,000.00. Logistically, how is this handled? Would the Authority still pay for the month that went over or would ICS cover that because they have the money based on the fact that their average was determined to be \$6,000.00 per month and for three months they didn't have to pay that amount.

R. Strong stated that we could set a benchmark of \$72,000.00 per year for ICS and then look at it again at 9 months to see where we are. We could word it so ICS is expected to pay \$72,000.00 per year and then the Authority would pay anything above and beyond. If the expenses are less than \$72,000.00 for the year then the Authority would pay nothing.

C. Law stated that should be reviewed annually in January.

A motion was made by M. Welch and seconded by T. Diedrick to approve the Authority to pay a portion of the cost of investigative services, over the yearly amount of \$72,000.00 to be paid by ICS. This would be reviewed yearly to come up with the figures for the next year. Motion carried.

8. Review and approval of Resolution No. 10-01 certifying the Brown County Housing Authority Annual SEMAP submission for fiscal year ending December 31, 2009.

R. Hallet stated that every year we do SEMAP certification, which is basically our report card on how we are doing. Included in the agenda packet is a description of each indicator, what the Authority's previous rating was, what the expected rating is for this year and the total possible. We expect to remain at 100%.

A motion was made by T. Diedrick and seconded by M. Welch to approve Resolution No. 10-01 certifying the Brown County Housing Authority Annual SEMAP submission for fiscal year ending December 31, 2009. Motion carried.

9. Discussion and action on responses to Request for Proposals for 150 new construction Project Based Vouchers.

R. Hallet stated this gets back to past discussions on the project with Port Plaza tenants being relocated to other sites through Cardinal Capital. We had to put out a Request for Proposal (RFP) for the developer who would contract with the Housing Authority to do these Project-Based Vouchers. The RFP was published last month and we only received the one response, which was from Cardinal Capital. Included in the agenda packet is the scoring of Cardinal Capital's response to the RFP by R. Strong, N. Aderholdt, and R. Hallet. We would recommend that Cardinal Capital be awarded the 150 new construction Project-Based Vouchers.

A motion was made by T. Diedrick and seconded by M. Welch to award the 150 new construction Project Based Vouchers to Cardinal Capital. Motion carried.

10. Approval of 2009 BCHA Year End Financials.

M. Schampers stated that at this point they are not completed because a couple of questions have come up that we need to address with the auditors. These should be ready for the next meeting.

R. Strong stated that the submission deadline is the end of the month, which we will meet and then report to the Authority next month.

INFORMATIONAL:

11. Commissioners' Corner articles from NAHRO.

R. Hallet explained that Commissioners' Corner is a new column in NAHRO's publication dedicated to discussing issues that are of interest to commissioners. She obtained permission from NAHRO to copy these articles for the Authority to read. The articles are very interesting and insightful on what other communities and Board do.

12. HUD Approval of 5 Year/Annual Agency Plan.

R. Hallet stated that initially there were some deficiencies with the Five Year/Annual Plan which were corrected immediately. We have now received communication from HUD that the Five Year/Annual Plan submission has been approved.

BILLS:

R. Hallet distributed the bills to the Authority.

A motion was made by M. Welch and seconded by T. Diedrick to approve the bills. Motion carried.

FINANCIAL REPORT:

M. Schampers stated that this is not available until we close the fiscal year.

STAFF REPORT:

13. Summarized list of BCHA Actions.

R. Hallet stated that there was a recommendation that a list be compiled of all of the actions that the Authority has taken within the past several years, so the intern researched this for the past four years and it is included in the agenda packet.

R. Hallet stated that the only other point of interest is what R. Strong spoke about earlier in the meeting in regards to the District Attorney pursuing criminal charges for fraud cases. We have submitted four cases to the District Attorney to start acting on. There will be a learning curve as the District Attorney gets used to the documentation we have and we learn what documentation he needs for each case.

A motion was made by M. Welch and seconded by T. Diedrick to adjourn the meeting at 4:48 p.m. Motion carried.

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